

**CITY OF MIAMI SPRINGS GENERAL EMPLOYEES'
RETIREMENT SYSTEM
MINUTES OF THE MEETING HELD
MAY 3, 2012**

The regular meeting of the Board of Trustees of the City of Miami Springs General Employees' Retirement System was called to order at 8:35 AM by Tom Cummings in the Commission Chambers at the City of Miami Springs City Hall at 201 Westward Drive, Miami Springs, Florida.

TRUSTEES PRESENT

Tom Cummings, Chair
Sherryl Bowein, Secretary
Robert Whittington, Trustee
Ronald G. Gorland, Trustee
Francisco Arguelles, Trustee

OTHERS PRESENT

Audrey Ross, Pension Resource Centers (PRC)
JC Louissaint, Pension Resource Centers (PRC)
Alison Bieler, Attorney - Cypen & Cypen
Grant McMurry, ICC Capital Management
Bart McMurry, ICC Capital Management
Brendon Vavrica, Thistle Asset Consulting
Brenson St. Jean, Thistle Asset Consulting
William Alonso, City of Miami Springs - Finance Dir
Beila Sherman, Marcum LLP

**SEPTEMBER 30, 2011 AUDITED FINANCIAL STATEMENTS PRESENTATION:
MARCUM, LLP (BEILA SHERMAN)**

Ms. Sherman explained that an unqualified opinion was issued regarding the audit, which is highest level that can be issued. She reviewed the internal controls and compliance letter and stated that they did not identify any issues while performing the audit. Ms. Sherman reviewed the Plans net assets for the fiscal year ending September 30, 2011 which have decreased to \$12,340,332, compared to \$13,117,248 from last year. In addition both the employer and employee contribution increased.

Ms. Sherman reported that \$712,651 was paid out in pension benefits during the fiscal year, which is an increase from last year of \$638,025. She explained that there were more retirees and members exiting the DROP in 2011 versus 2010. There was a decrease in refund of contribution payments, but the administration expenses did increase this fiscal year to \$69,124 versus \$64,979 from last year.

MOTION: Mr. Whittington made a motion to approve the September 30, 2011 Audited Financial Statements that were prepared by Marcum, LLP.

SECOND: Mr. Gorland seconded the motion.

CARRIED: The motion carried 5-0.

Ms. Sherman presented the board with the Management Rep Letter which needed to be executed by the Board. She explained that this letter represents the process of the audit and their findings. Ms. Sherman stated that she was pleased to announce that they did not find any material weaknesses while performing the audit and that the process did run very smoothly this year.

MOTION: Mr. Whittington made a motion to approve the September 30, 2011 Management Representation Letter that was prepared by Marcum, LLP.

SECOND: Mr. Arguelles seconded the motion.

CARRIED: The motion carried 5-0.

INVESTMENT MANAGER REPORT: ICC CAPITAL MANAGEMENT (GRANT MCMURRY & BART MCMURRY)

Mr. Grant McMurry reviewed the current market environments during the quarter and stated that the fund had a good recovery and the equities were up 13.32%. He commented that it was a good quarter to be exposed to stocks. The total fund for the quarter net of fees out performed the benchmark at 8.51% versus 8.10%, but for the one year they are behind at 1.36% versus 8.91%.

Mr. Bart McMurry reviewed ICC Capital's International Real Estate fund that he runs out in California. He explained some of the advantages and some of the disadvantages of adding International Real Estate into the portfolio. Also, timing of funding is very important when buying into real estate. Mr. Bart McMurry commented that he has been running the International Real Estate portfolio for Florida clients only for about 18 years and he shared some historical data of the portfolios returns with the Board.

INVESTMENT CONSULTANT REPORT: THISTLE ASSET CONSULTING (BRENDON VAVRICA)

Mr. Vavrica discussed the International Real Estate fund with the board and commented that he did an additional search of Managers that also run these types of portfolios as well for comparison. He stated that the board can either explore some of these managers that he has researched, or they can go with ICC's fund since they are currently the manager for the board. The Trustees had a lengthy discussion on the different managers that offer the International Real Estate product. Some Trustees recommended going with their current Manager ICC Capital and some recommended as due diligence to do a manager search. The Board directed Mr. Vavrica to bring back an International Real Estate Manager search that included ICC Capital in the report to the next board meeting for review. Mr. Vavrica reviewed some of the rules and regulations regarding investing in International Real Estate according to their IPG. He stated that according to the Plan's IPG and Florida State Statute, they can only invest a max of 25% in International. Although he would only recommend allocating 10% at this time because they would need to rebalance the portfolio to add in an allocation to International. Mr. Bart McMurry commented that the International Real Estate portfolio that he runs strictly abides by the FL Investment Act. Ms. Bieler briefly reviewed the Florida Investment Act which was created years ago. The Act recently updated their scrutinized companies list to include Cuba and Syria. She explained that each manager is required to review all their investments and send a certificate to their Consultant on a quarterly basis stating that they are not invested in any of the Countries listed on the scrutinized companies list.

Lastly Mr. Vavrica reviewed the report for the quarter ending March 31, 2012. Overall the Plan had great quarter and was ahead of the benchmark net of fees at 8.48% versus 7.47%. For the fiscal year to date they are also ahead at 17.86% versus the benchmark at 15.60%.

MINUTES

The board reviewed the minutes of the February 2, 2012 regular meeting.

MOTION: Mr. Whittington made a motion to approve the minutes of the February 2, 2012 regular meeting.

SECOND: Ms. Bowein seconded the motion.

CARRIED: The motion carried 5-0.

DISBURSEMENTS APPROVAL

Ratification of warrants processed since the February 2, 2012 meeting:

Warr.#	Payee	Amount	Invoice Date
307	Mutual of Omaha (Inv# 000236540799 - February 2012 Life Insurance Fee)	\$105.93	1/17/12
	Salem Trust Company 10/01/11 - 12/31/11 (Custodian Fee)	\$1,715.15	1/15/12
	Resource Centers, LLC (Inv #11662 - February 2012 Admin Fee)	\$1,350.00	1/31/12
	Resource Centers, LLC (Inv #11465 - (1) DROP Application Fee) Suzanne Hitafter not included in the January Invoice.	\$100.00	10/10/11
308	Mutual of Omaha (Inv# 000242928689 - March 2012 Life Insurance Fee)	\$107.58	2/14/12
	Cypen & Cypen (Invoice #6166 - February 2012 Legal Fee)	\$1,250.00	2/1/12
	Resource Centers, LLC (Inv #11717 - March 2012 Admin Fee)	\$1,350.00	2/29/12
309	Mutual of Omaha (Inv# 000245989598 - April 2012 Life Insurance Fee)	\$107.58	3/15/12
	Cypen & Cypen (Invoice #6198 - March 2012 Legal Fee)	\$1,250.00	3/1/12
	Thistle Asset Consulting, Inc. (Invoice #20111216 - Performance Monitoring for the Quarter Ending December 30, 2011)	\$4,189.00	1/23/12
310	Resource Centers, LLC (Inv #11768 - April 2012 Admin Fee)	\$1,350.00	3/30/12
	Cypen & Cypen (Invoice #6230 - April 2012 Legal Fee)	\$1,250.00	4/2/12
	ICC Capital Management, Inc. (Invoice #57532218 - 04/01/2012 - 06/30/2012 Quarterly Management Fee)	\$18,244.87	4/5/12
	Marcum, LLP (Invoice # 10407132 - September 30, 2011 Audit)	\$3,742.00	3/30/12

MOTION: Ms. Bowein made a motion to approve Warrants 307 through 310.

SECOND: Mr. Whittington seconded the motion.

CARRIED: The motion carried 5-0.

BENEFIT APPROVALS:

- **Applications for Refund of Contributions:**
 - * Alfreddie Finklea
 - * Christine Rodriguez
 - * Bangally Suso

MOTION: Mr. Whittington made a motion to approve the Refund of Contributions for Alfreddie Finklea, Christine Rodriquez and Bangally Suso

SECOND: Ms. Bowein seconded the motion.

CARRIED: The motion carried 5-0.

FINANCIAL STATEMENTS

Ms. Ross presented to the board the financial statements through the end of March 2012.

The Board received and filed the financial statements through the end of March 2012.

OLD BUSINESS

Ms. Ross stated that she spoke to Salem Trust regarding a cash account option for the DROP accounts. Salem Trust stated that they can open one cash account for all the DROP assets, although they would not manage the individual members account and produce statements. This cash account would have an annual fee of \$500 just to have the account, and then an additional fee of 5.1 basis points on the assets will be charged as well. The board discussed the cash account and concluded that it would cost way too much money just to have Salem Trust maintain the account, and then they still have to pay a separate fee for the DROP accounting that is done by the Administrator. The Trustees' discussed their options and directed Ms. Bieler to draft an amendment to the DROP plan to allow for a fixed rate option. Ms. Bieler confirmed that she will draft an amendment to the DROP plan to allow for a fixed rate option and will bring it back to the board at their next meeting.

NEW BUSINESS

N/A

REPORTS

• Administrator: PRC (Audrey Ross)

- Ms. Ross stated that she had the Salem Trust authorized signors form here with her today that needs to update since the Trustees have changes.
- Ms. Ross reminded the Trustees that their annual Form 1 Disclosures are due July 1, 2012.

• Attorney

- Ms. Bieler briefly reviewed some of the Legislative bills that were introduced, although none have been passed at this time. She stated that she will keep the board updated.

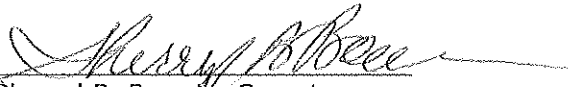
NEXT MEETING DATE

Thursday August 2, 2012 @ 8:30 AM

ADJOURN

There being no further business, a motion was made to adjourn the meeting at 10:27 AM.

Respectfully submitted,


Sherryl B. Bowen, Secretary